

COOK, YANCEY, KING & GALLOWAY

A PROFESSIONAL LAW CORPORATION

333 TEXAS STREET, SUITE 1700

POST OFFICE BOX 22260

SHREVEPORT, LOUISIANA 71120-2260

www.cykg.com

J. William Fleming

Writer's Direct
(318) 227-7724
fleming@cykg.com

August 23, 2001

TELEPHONE (318) 221-6277

TELECOPIER (318) 227-7850

When calling relative to this
matter, refer to file No. 1028.

Honorable Philip N. Asprodites
Commissioner of Conservation
Office of Conservation
P. O. Box 94275
Baton Rouge, LA 70804-9275

RE: Hosston Zone, Reservoir A
Cotton Valley Formation, Reservoir A
Lower Cotton Valley Formation, Reservoir A
Elm Grove Field
Caddo and Bossier Parishes, Louisiana

APPLICATION FOR PUBLIC HEARING

Dear Sir:

KCS Medallion Resources, Inc. hereby makes application pursuant to the revised rules of procedure for a public hearing to consider evidence relating to the following matters pertaining to the Hosston Zone, Reservoir A, the Cotton Valley Formation, Reservoir A, and the Lower Cotton Valley Formation, Reservoir A, in the Elm Grove Field, Caddo and Bossier Parishes, Louisiana:

1. To authorize KCS Medallion Resources, Inc. to drill, complete and utilize the Fitzgerald 8 No. 3 Well as an additional alternate unit well for HOSS RA SU23 at the exceptional location shown on the attached plat;
2. To authorize KCS Medallion Resources, Inc. to drill, complete and utilize the Fitzgerald 8 No. 3 Well as an additional alternate unit well for CV RA SU23 at the exceptional location shown on the attached plat;

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3. To authorize KCS Medallion Resources, Inc. to drill, complete and utilize the Fitzgerald 8 No. 3 Well as an additional alternate unit well for LCV RA SUE at the exceptional location shown on the attached plat;
4. To authorize the unit allowable for these Hosston Zone, Reservoir A, the Cotton Valley Formation, Reservoir A, and the Lower Cotton Valley Formation, Reservoir A, units to be recovered from the any of the wells located on the units at the discretion of the operator; and
5. To consider and cover such other matters as the Commissioner of Conservation may deem appropriate and necessary under the circumstances.

The Hosston Zone, Reservoir A, in the Elm Grove Field, Caddo and Bossier Parishes, Louisiana, was fully defined in Office of Conservation Order No. 361-A-1, effective on and after October 1, 1972, and was further defined in Office of Conservation Order No. 361-A-5, effective May 25, 1977.

The Cotton Valley Formation, Reservoir A, in the Elm Grove Field, Caddo and Bossier Parishes, Louisiana, was fully defined in Office of Conservation Order No. 361-B, effective on and after October 1, 1973, and was further defined by subsequent orders of the 361-B Series.

The Lower Cotton Valley Formation, Reservoir A, in the Elm Grove Field, Bossier Parish, Louisiana, was fully defined in Office of Conservation Order No. 361-E, effective on and after July 16, 1996.

The subject matter of this application does not require the issuance of a Pre-Application Notice.

Any pertinent data relating to this matter can be obtained at the cost of the requesting party, from Mr. Gary Leonard, 400 Travis Street, Shreveport, Louisiana 71101, at telephone number (318) 425-4789.

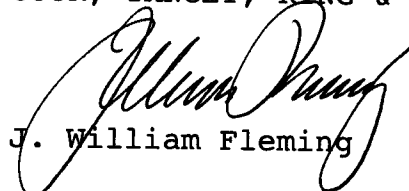
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The attached list includes the names of all Interested Owners, Represented Parties and Interested Parties known to Applicant after a diligent search and a copy of this application, with plats attached, is being sent to each such party. Pursuant to Office of Conservation regulations, such list of parties is being furnished only to the Commissioner of Conservation and to the District Manager of the Shreveport District of the Office of Conservation; however, the list of parties will be provided to any person requesting a copy of it. Also enclosed are the application fees.

Yours very truly,

COOK, YANCEY, KING & GALLOWAY



J. William Fleming

jwf:s

Enclosures

cc: James C. Broussard, District Manager
Interested Owners, Represented
Parties and Interested Parties

T 16 N - R 11 W

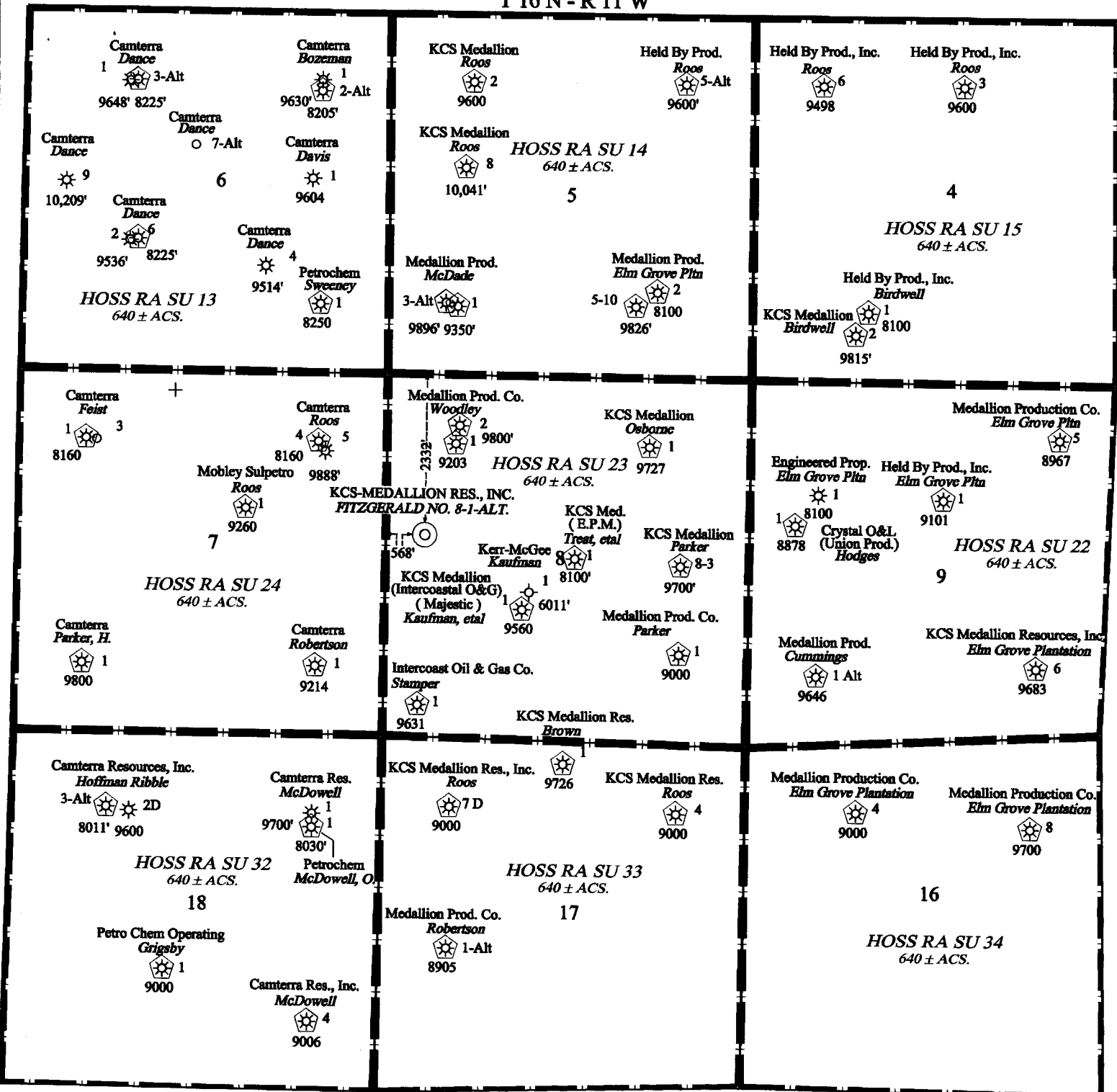


EXHIBIT NO. 1

DOCKET NO. 01-

KCS-MEDALLION RESOURCES, INC.
TULSA, OKLAHOMA

ELM GROVE FIELD
BOSSIER PARISH, LOUISIANA

PROPOSED ALTERNATE UNIT WELL AT EXCEPTIONAL LOCATION FOR
HOSSTON RESERVOIR A SAND UNIT 23

☉ :PROPOSED ALTERNATE HOSSTON
RESERVOIR A SAND UNIT WELL

☆ :EXISTING HOSSTON RESERVOIR A
SAND UNIT WELL

— :EXISTING HOSSTON RESERVOIR A SAND UNITS



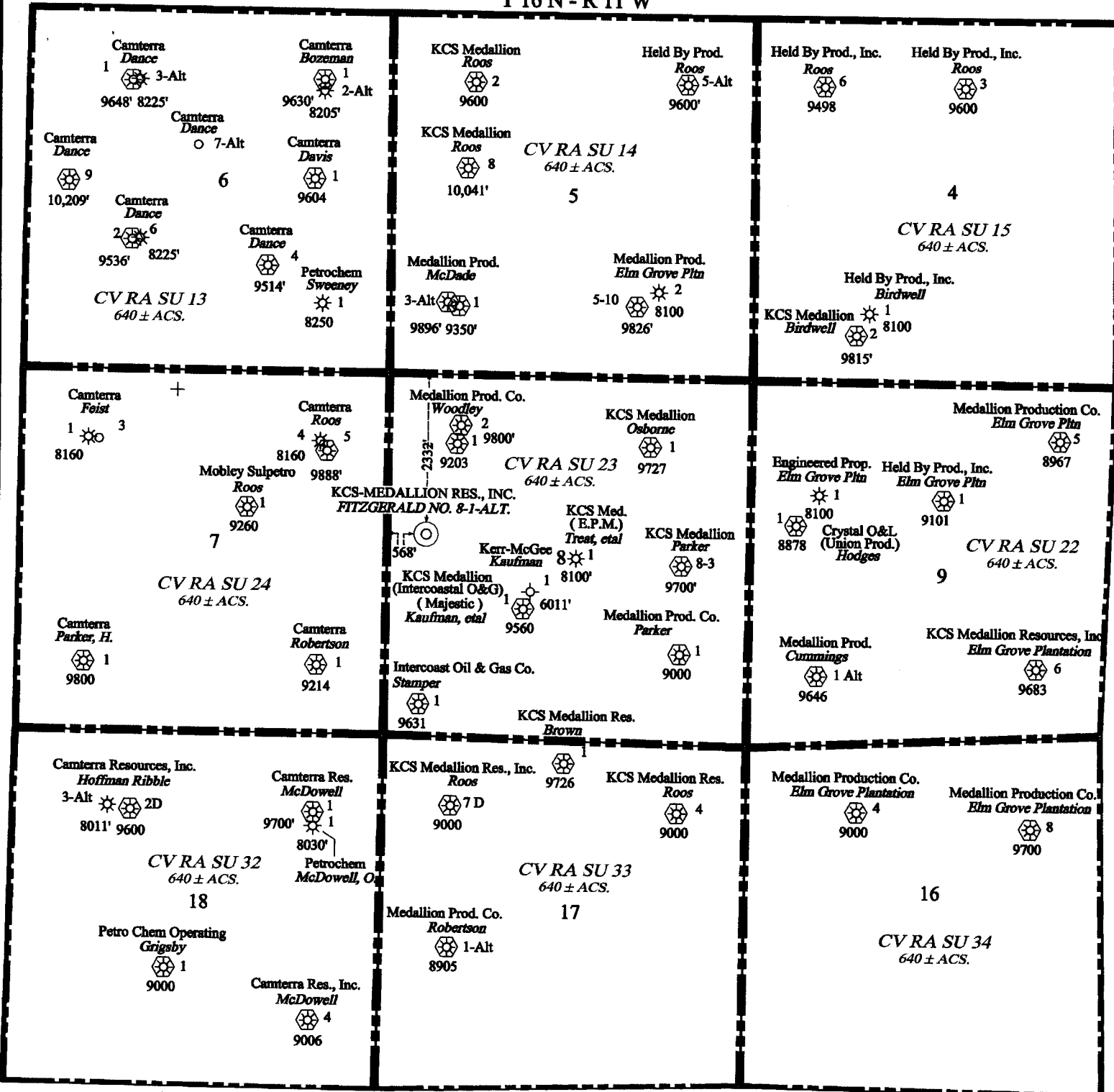





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DOCKET NO. 01-

KCS-MEDALLION RESOURCES, INC. TULSA, OKLAHOMA

ELM GROVE FIELD BOSSIER PARISH, LOUISIANA

PROPOSED ALTERNATE UNIT WELL AT EXCEPTIONAL LOCATION FOR COTTON VALLEY RESERVOIR A SAND UNIT 23

-  :PROPOSED ALTERNATE COTTON VALLEY RESERVOIR A SAND UNIT WELL
  :EXISTING COTTON VALLEY RESERVOIR A SAND UNIT WELL
-  :EXISTING COTTON VALLEY RESERVOIR A SAND UNITS



GRAPHIC SCALE

T 16 N - R 11 W

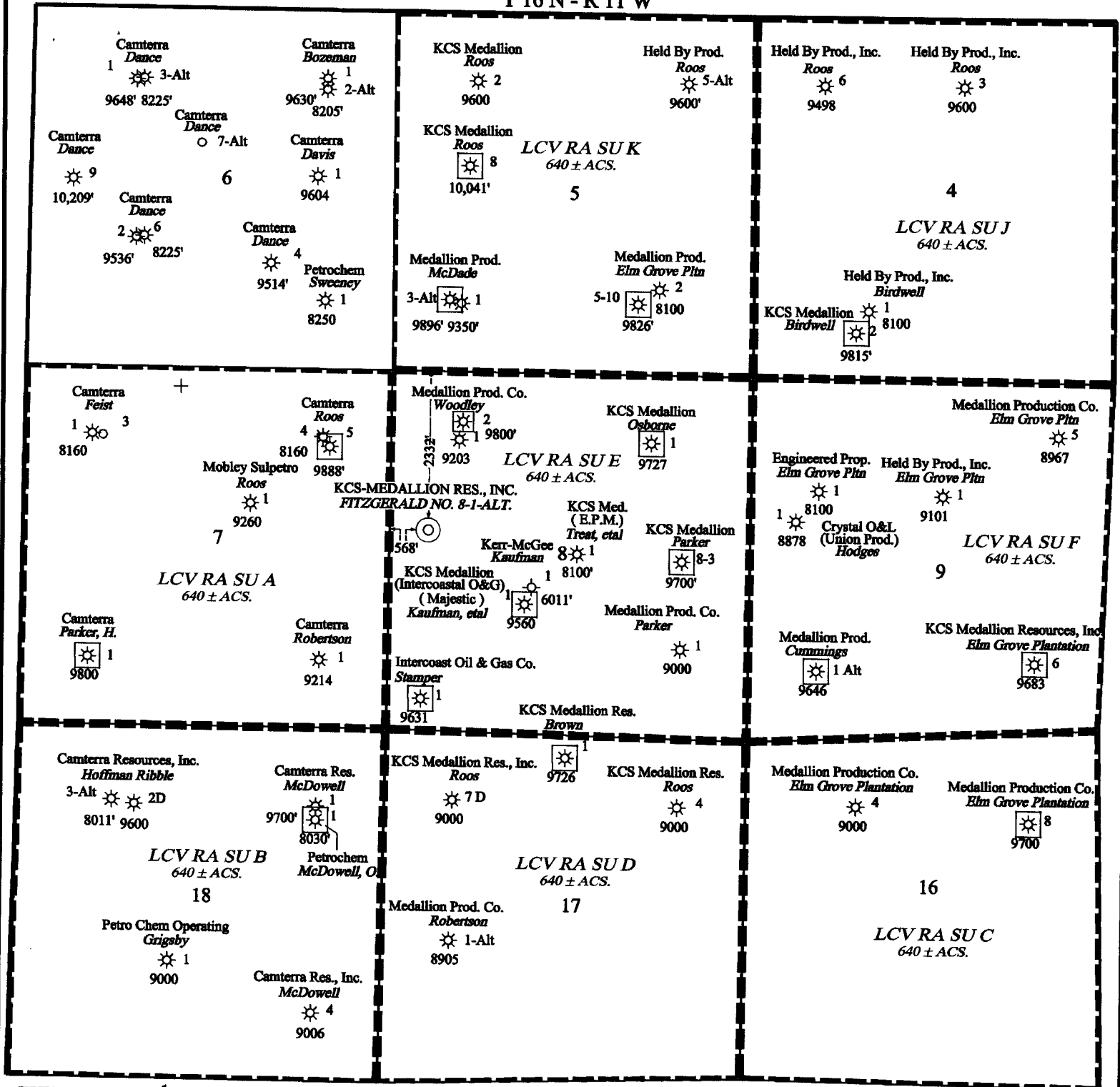


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DOCKET NO. 01-

KCS-MEDALLION RESOURCES, INC. TULSA, OKLAHOMA

ELM GROVE FIELD BOSSIER PARISH, LOUISIANA

PROPOSED ALTERNATE UNIT WELL AT EXCEPTIONAL LOCATION FOR LOWER COTTON VALLEY RESERVOIR A SAND UNIT E

⊙ : PROPOSED ALTERNATE LOWER COTTON VALLEY RESERVOIR A SAND UNIT WELL



: EXISTING LOWER COTTON VALLEY RESERVOIR A SAND UNIT WELL

----- : EXISTING LOWER COTTON VALLEY RESERVOIR A SAND UNITS

